

GMA to sign into law bill extending rent control today

President Arroyo will sign into law today a bill extending rent control in the country.

Congress ratified the bill last May to amend Republic Act No. 9341 or an Act Establishing Reforms in the Regulation of

Rent of Certain Residential Units.

Under the new law, the cap on rent increases is reduced from 10 percent to seven percent.

No rent increase will be allowed in the first year of imple-

mentation of the law.

Congress has retained most of the provisions of the old law, including the coverage of rent control.

Residents of the National Capital Region and other highly-urbanized areas whose rent do not exceed P10,000 a month and all residential units in all other areas where the rent does not exceed P5,000 will be covered by the new law.

The rent control law will last four years after which the Housing and Urban Development Coordinating Council will continue the regulation of dwellings for rent.

Other salient features of the law are the prohibition of advance rent payment of more than one month and a deposit of more than two months.

Renters will also not be allowed to sub-lease the rented property; otherwise property owners may petition the courts to eject them.

On the other hand, owners will be allowed to eject their tenants if they are in arrears for three months or owners need the property for themselves or immediate members of their families.

RA 9341, which expired last December, is the second amendment of the original 1999 law on rent control. - Marvin Sy